

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3079 - SB 3028

February 16, 2010

SUMMARY OF BILL: Authorizes the Department of Revenue to issue license plates to all-terrain vehicles (ATVs). Authorizes the use of ATVs on designated highways with certain restrictions, including requiring headlights and taillights. Violation is a Class C misdemeanor. Authorizes local government legislative bodies to regulate operation of ATVs; authorizes local governments to charge a \$25 annual fee to drivers who use ATVs on highways.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$365,400/FY10-11

\$374,500/FY11-12 and Subsequent Years

Increase State Expenditures – \$16,900/One-Time

\$63,000/FY10-11

\$64,600/FY11-12 and Subsequent Years

Increase Local Revenue – Not Significant/Recurring

Increase Local Expenditures – Not Significant/Recurring

Assumptions:

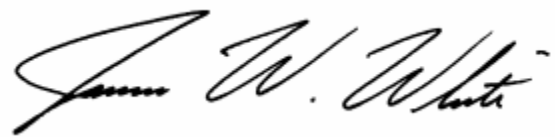
- According to the Department of Revenue, approximately 25,200 ATVs will be registered in FY10-11 at a cost of \$14.50 per plate. Approximately 25,830 ATVs will be registered in FY11-12 and subsequent years. State revenue is estimated to increase \$365,400 (25,200 x \$14.50) in FY10-11 and \$374,535 (25,830 x \$14.50) in FY11-12 and subsequent years.
- The Department will experience a one-time increase of \$16,900 for changes to software programs.
- Each plate costs approximately \$2.50 to produce. Recurring state expenditures are estimated to increase \$63,000 (25,200 x \$2.50) in FY10-11, and \$64,575 (25,830 x \$2.50) in FY11-12 and subsequent years.
- Local governments who choose to allow ATVs on designated highways may experience a not significant increase in revenue from charging the \$25 fee.
- Local governments may experience a not significant increase in expenditures for implementing the ordinance.

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- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kmc